

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 6711

BILL NUMBER: HB 1846

NOTE PREPARED: Jan 13, 2003

BILL AMENDED:

SUBJECT: Education Tax Credit Pilot Program.

FIRST AUTHOR: Rep. Behning

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED:

**GENERAL
DEDICATED
FEDERAL**

IMPACT: Pending

Summary of Legislation: The bill provides an Adjusted Gross Income (AGI) Tax refundable credit for the 2004 and 2005 taxable years for qualified elementary and secondary education expenses for dependents who have legal settlement in the Indianapolis Public School Corporation. The bill requires participation in the ISTEP or another approved program for tax credit eligibility. The bill provides that a taxpayer having dependents in both public and nonpublic schools may claim only one credit. For taxpayers having dependents enrolled in a school, the bill establishes the maximum credit for household incomes under \$35,000 at \$2,000 and for household incomes over \$35,000 at \$1,000. For taxpayers having dependents who are excused from school attendance, the bill establishes the maximum credit at \$1,000 per dependent or household. The bill requires the Department of Education to develop a list of programs approved for tax credit purposes and to administer the ISTEP program requirement to certain dependents.

Effective Date: Upon passage; July 1, 2003.

Explanation of State Expenditures: *As of the above date, the fiscal analysis of this bill has not been completed. Please contact the Office of Fiscal and Management Analysis for an update of this fiscal impact statement.*

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected:

Information Sources:

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